

## **CHAPTER**

# **1**

### **WHAT IS A WAIVER?**

Prior to 1981, people in need of long term care services could only receive Medicaid funding for such services when the services were provided in an institutional setting such as a nursing home. In October 1981, the Social Security Act was amended to allow states to choose to offer Medicaid funding for long term care services when those services are provided in the person's home or community. This became known as the Home and Community Based (HCB) Waiver or Medicaid Waiver option.

When the HCB waiver option is selected by a state, that state is choosing to waive the institutional requirements and must decide for whom those requirements will be waived. The state can select the group or groups of people for whom they wish the requirements to be waived. Some examples of groups of people for whom these requirements may be waived are, people who are elderly or disabled, people who have mental retardation or a related disability, or people who have a head or spinal cord injury.

In addition to choosing to waive the institutional requirements and selecting the groups of people for whom the requirement will be waived, states are allowed to choose which goods or services will be funded through the HCB waiver. The state must choose services that are not already funded as part of the State's Medicaid Program Plan.

When the HCB Waiver option is chosen, the state must make several assurances to the Centers for Medicaid and Medicare Services (CMS) which is the division of the U.S. Department of Health and Human Services that is responsible for reviewing, approving and monitoring any waiver options selected by the state. The state must assure that necessary safeguards are taken to protect the health and welfare of all recipients, assure that all recipients require the level of care that would be provided in an institution and assure that the recipient's need for the specified level of care is periodically reevaluated. The state must assure that recipients are informed of any reasonable alternatives available under the waiver, assure that recipients are given the choice of either institutional or home and community-based services and assure that the expenditures under the waiver will not exceed the amount that would have been spent if the recipient has chosen institutionalization.

In South Carolina, the SC Department of Health and Human Services (SCDHHS) is the state agency responsible for all Medicaid funding. South Carolina has chosen to serve several

different populations by utilizing the HCB waiver option. SCDHHS through its Community Long Term Care (CLTC) Division administers HCB Waivers to serve the Elderly and Disabled (E/D Waiver), people with HIV or AIDS (HIV/AIDS Waiver), and adults who are dependent on a life support system (Ventilator Dependent Waiver). In addition, SCDHHS is partners with the South Carolina Department of Disabilities and Special Needs (SCDDSN) in administering waivers to serve people with head or spinal cord injuries (HASCI Waiver) and people with mental retardation or related disabilities (MR/RD Waiver). Please see attachment A for an overview of all HCB Waivers available in South Carolina.

In October 1991, SCDHHS and SCDDSN (then known as the Department of Mental Retardation) received approval to offer the Home and Community Based Waiver as an option to institutional care for people with mental retardation or a related disability. This option allows individuals with mental retardation or related disabilities to choose to receive care at home rather than in an Intermediate Care Facility for the Mentally Retarded (ICF/MR). Although the individual may choose to receive care at home, he/she must require the degree of care that would be provided in the ICF/MR. In other words, individuals choosing this option must meet ICF/MR level of care.

Since the approval of the MR/RD Waiver in October 1991, several changes or amendments have been made to the original waiver request. As of July 2001, the following services are funded by Medicaid through South Carolina's MR/RD Waiver:

- Personal Care Services
- Habilitation
  - Residential
  - Day
  - Prevocational Services
  - Supported Employment Services
- Respite Care
- Environmental Modifications
- Specialized Medical Equipment, Supplies and Assistive Technology
- Adult Companion Services
- Psychological Services
- Nursing Services
- Physical Therapy
- Occupational Therapy
- Prescribed Drugs
- Speech/Language Pathology
- Audiology Services
- Private Vehicle Modification
- Adult Dental
- Adult Vision
- Behavior Support Services
- Adult Day Health Care Services

These services and specific limitations related to these services will be discussed in subsequent chapters.

In order to become enrolled in the MR/RD Waiver, several conditions/criteria must be met. **The potential recipient must be eligible (i.e. have a diagnosis of Mental Retardation or Related Disability) to receive services from the Mental Retardation or Related Disabilities (MR/RD) Division of SCDDSN.** This does not mean that the applicant has to be currently receiving services from SCDDSN. Please note, the only criteria for eligibility is that the person have mental retardation or a related disability. This determination is made by the Consumer Assessments Office in the SCDDSN Midlands Field Office. Please refer to SCDDSN Eligibility Determination Procedures or contact your supervisor for more information.

In addition to being eligible to receive services from SCDDSN, **the potential recipient must be eligible to receive Medicaid.** This does not mean that the potential recipient must be receiving Medicaid but instead means that, once application is made, Medicaid will likely be awarded. The determination of eligibility for Medicaid is made by the SC Department of Health and Human Services Eligibility Division (SCDHHS) or the Social Security Administration (SSA). A potential recipient may qualify for Medicaid if his/her resources do not exceed approximately \$2000.00 and his/her monthly income does not exceed three times the maximum Supplemental Security Income (SSI) payment.

**A potential recipient must be allocated a waiver slot.** MR/RD Waiver slots are allocated by SCDDSN Central Office. Please see Chapter 3 (*Requesting a Slot*) of this manual for more information.

In addition to being eligible for SCDDSN services, eligible for Medicaid, and being allocated a slot, **a potential recipient must be given the option of receiving services in his/her home and community or in an ICF/MR.** To be enrolled in the waiver, home and community based services must be chosen. Please refer to Chapter 4 (*Freedom of Choice*) of this manual.

Lastly, **a potential recipient must meet ICF/MR Level of Care.** The initial Level of Care determination is made by the Consumer Assessment Team located at the Midlands Field Office. This determination must be reviewed annually for continued participation in the waiver. Please refer to Chapter 5 (*ICF/MR Level of Care*) of this manual for more information.

In addition to the conditions/criteria listed, **a potential recipient must have needs that can be addressed by the provision of services funded by the waiver.** The cost of these services should not exceed the cost of care that would be provided in an ICF/MR (approximately \$95,006.00 per year in 2001).

Once these conditions/criteria are met, the potential recipient can be enrolled in the waiver. Once enrolled, you can authorize providers to render the needed services.

**COMMUNITY LONG TERM CARE**  
**A Division of the Department of Health and Human Services**

The South Carolina Community Long Term Care Division has a variety of programs to serve individuals who want to live at home, need assistance, and is eligible for Medicaid. These statewide programs provide pre-admission screening, level of care determination, coordination of services, and case management for eligible individuals seeking alternatives to institutionalized care. Summaries of the programs are listed below.

	Elderly / Disabled Program	HIV / AIDS Program	Mechanical Ventilator Program
<b>Population Served</b>	Medicaid eligible, age 18 years or older, NF level of care	Medicaid eligible, diagnosed with HIV/AIDS and at risk for hospitalization	Medicaid eligible, age 21 years or older who meet skilled or intermediate level of care and who require mechanical ventilation
<b>Point of Entry</b>	CLTC Area Office	CLTC Area Office	CLTC Area Office
<b>Level of Care</b>	Nursing Facility (NF)	At Risk for Hospitalization	Nursing Facility and Dependent on Mechanical Ventilation
<b>Services</b>	<ul style="list-style-type: none"> <li>• Companion</li> <li>• Case Management</li> <li>• Personal Care I/II</li> <li>• Home Delivered Meals</li> <li>• Adult Day Health Care</li> <li>• Adult Day Health Care Nursing</li> <li>• Environmental Modification</li> <li>• Institutional Respite Care</li> <li>• Respite in a CRCF</li> <li>• Attendant Care</li> <li>• PERS</li> <li>• Limited Incontinence Supplies</li> </ul>	<ul style="list-style-type: none"> <li>• Case Management</li> <li>• Personal Care I/II</li> <li>• Home Delivered Meals</li> <li>• Nursing Services</li> <li>• Foster Care</li> <li>• Environmental Modification</li> <li>• Attendant Care</li> <li>• Prescription Drugs</li> <li>• Medical Supplies</li> </ul>	<ul style="list-style-type: none"> <li>• Personal Care I/II</li> <li>• Nursing Services</li> <li>• Institutional Respite Care</li> <li>• Environmental Modification</li> <li>• Specialized Medical Equipment &amp; Supplies</li> <li>• Personal Emergency Response System (PERS)</li> <li>• Prescription Drugs</li> </ul>
<b>Waiting List</b>	Yes	None	Yes

Attachment A

**DDSN WAIVER SUMMARY**

Mental Retardation or Related Disabilities Program	Head and Spinal Cord Injured (HASCI) Program
Medicaid eligible, all ages, MR or related disabilities	Medicaid eligible with head or spinal cord injuries <u>or</u> both <u>or</u> similar disabilities
Local DSN Board	Local DSN Board
ICF/MR	ICF/MR or Nursing Facility
<ul style="list-style-type: none"> <li>• Day Habilitation</li> <li>• Supported Employment</li> <li>• Residential Habilitation</li> <li>• Prevocational Habilitation</li> <li>• Environmental Modification</li> <li>• Respite Care</li> <li>• Personal Care Services I/II</li> <li>• Assistive Technology</li> <li>• Prescribed Drugs</li> <li>• Audiology Services</li> <li>• Speech/Language Pathology</li> <li>• Adult Companion Services</li> <li>• Physical Therapy</li> <li>• Occupational Therapy</li> <li>• Psychological Services</li> <li>• Nursing Services</li> <li>• Adult Dental</li> <li>• Adult Vision</li> <li>• Vehicle Modification</li> <li>• Behavior Support Services</li> <li>• Adult Day Health</li> </ul>	<ul style="list-style-type: none"> <li>• Respite Care</li> <li>• Personal Emergency Response System (PERS)</li> <li>• Nursing Services</li> <li>• Psychological Services</li> <li>• Communication Services</li> <li>• Physical Therapy</li> <li>• Occupational Therapy</li> <li>• Attendant Care</li> <li>• Prescription Drugs</li> <li>• Specialized Supplies and Modifications</li> <li>• Residential Habilitation</li> <li>• Day Habilitation</li> <li>• Pre-Vocational Habilitation</li> <li>• Supported Employment</li> </ul>
Managed by State DDSN Office	Managed by State DDSN Office